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To Wayne Nastri/R9/USEPA/US, Lynn
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cc Allyn Stern/R9/USEPA/US@EPA, Mary
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bcc

Subject Greka update

Wayne: Below is the press release regarding today action. Rob Wise and I have a call with Greg Hass (Lois Capps dist dir) at 1pm our time and I will call you (per Lynn's request) after 4:30pm DC time to give you an additional update. Thanks Jim.

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Environmental Protection
Agency

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Greka Violates Enforcement Order: U.S. EPA Steps In, Takes Over

U.S. EPA assumes control of all work at the Bell Tank Facility and Lease

SAN FRANCISCO - The U.S. Environmental Protection Agency is immediately assuming control of all clean up efforts at Greka's Bell Lease, located at 6801 Palmer Road in Santa Maria. The EPA is taking swift action to complete clean up efforts at the Bell facility, mobilizing clean up contractors who begin work at the site today.

The EPA is taking this action because Greka Oil and Gas, Inc. has violated the EPA's "Order for Removal, Mitigation, and Prevention of a Substantial Threat of Oil Discharge," addressing their January 29, 2008 oil spill at the Bell Lease.

"The EPA is stepping in to prevent further harm to the environment," said Daniel Meer, Chief of the Response, Planning and Assessment Branch for the Superfund Division in the EPA's Pacific Southwest region. "We have given Greka Oil and Gas every opportunity to properly conduct this clean up under federal oversight, but they have failed. So, the EPA will take over at the Palmer Road lease; the federal government will then seek reimbursement of those costs from Greka."

At the direction of the EPA, and with EPA oversight, Greka has been engaged in clean up efforts at Greka's recent spill sites. At the Bell Lease, Greka has failed to remove petroleum and petroleum-contaminated media such as soil, and other debris from the environment. In addition, oil contamination remains in the creek that runs parallel to Palmer road. The threat of a discharge of oil to waters of the United States is not acceptable and must be addressed

expediently.

Greka has also failed to provide EPA with the documents required pursuant to the order. Greka was required to submit a work plan to the EPA addressing the causes of the spill and presenting plans to halt oil discharge and prevent recurrences of discharges no later than February 28, 2008; and a sampling plan no later than February 14, 2008. Neither plan has been submitted to the EPA. Additionally, Greka has informed the EPA that it will not be submitting a work plan on April 1, 2008, for removal of oil and solids from the facility wastewater ponds, as required by the Order.

The statute allows for fines of up to \$32,500 per day, for each violation. Greka may face fines and penalties pursuant to order, for the violations.

The EPA continues to work with members of the California Department of Fish and Game, the Santa Barbara County Fire Department, the U.S. Coast Guard's Pacific Strike Team, and Greka Oil and Gas, the responsible party, to contain and clean up Greka's multiple recent oil releases, to prevent further harm to the environment.

To view pollution reports for recent spills please visit:

https://www.epaossc.org/region_list.asp?region=9

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